



# CITY COUNCIL

CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII

No. 11-297

## RESOLUTION

RELATING TO THE INCLUSION IN THE 2012 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A PROPOSAL URGING THE GOVERNOR AND THE STATE LEGISLATURE TO MAINTAIN THE COUNTIES' SHARE OF THE TRANSIENT ACCOMMODATIONS TAX.

WHEREAS, the transient accommodations tax is a tax levied by the state on the proceeds derived from furnishing transient accommodations; and

WHEREAS, in the 1990 legislative session, the Hawaii state legislature enacted Act 185 which gave the counties a share of the transient accommodations tax; and

WHEREAS, according to Conference Committee Report 207, the purpose of Act 185 was to provide a more equitable method of sharing state revenues with the counties rather than continuing with the system existing at the time whereby the counties requested financial assistance through grants in aid from the state on a case by case basis; and

WHEREAS, in Conference Committee Report 207, it was acknowledged that many of the burdens imposed by tourism fall on the counties including the costs of providing police and fire protection, maintaining county parks, beaches, water systems, roads, sewer systems and other tourism related infrastructure; and

WHEREAS, the county share of the tax also provides more stability to county finances and enables improved budgeting and planning; and

WHEREAS, 44.8% of the total transient accommodations tax collected by the state is distributed to the counties and allocated as follows:

Kauai County	-	14.5%
Hawaii County	-	18.6%
City and County of Honolulu	-	44.1%
Maui County	-	22.8%

and

WHEREAS, the transient accommodations tax revenues account for a significant portion of the counties' general fund budgets; and



## RESOLUTION

WHEREAS, the state legislature has previously considered suspending the counties' allocation of the transient accommodations tax to balance the state budget and may again consider doing so for the 2013 fiscal year; and

WHEREAS, maintaining the current allocation of the transient accommodations tax would allow the counties to continue providing essential government services to visitors and residents without significantly raising property taxes; and

WHEREAS, approval by all the counties is requested to include a proposal in the 2012 HSAC legislative package; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it approves for inclusion in the 2012 HSAC legislative package various resolutions, attached as Exhibit A, urging the governor and state legislature to maintain the counties' share of the transient accommodations tax; and

BE IT FINALLY RESOLVED that a copy of this Resolution be transmitted to the President of the Hawaii State Association of Counties.

INTRODUCED BY:



DATE OF INTRODUCTION:

**OCT 21 2011**

Honolulu, Hawaii

Councilmembers

## **EXHIBIT A**

H.R. NO. \_\_\_\_\_

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## HOUSE RESOLUTION

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URGING THE GOVERNOR AND THE LEGISLATURE OF THE STATE OF HAWAII  
TO PRESERVE THE COUNTIES' SHARE OF THE TRANSIENT  
ACCOMMODATIONS TAX.

1 WHEREAS, the transient accommodations tax is a tax levied  
2 by the state on the proceeds derived from furnishing transient  
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6 legislature enacted Act 185 which gave the counties a share of  
7 the transient accommodations tax; and  
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9 WHEREAS, according to Conference Committee Report 207, the  
10 purpose of Act 185 was to provide a more equitable method of  
11 sharing state revenues with the counties rather than continuing  
12 with the system existing at the time whereby the counties  
13 requested financial assistance through grants in aid from the  
14 state; and  
15

16 WHEREAS, the county share of the tax also provides more  
17 stability to county finances and enables improved budgeting and  
18 planning; and  
19

20 WHEREAS, currently, 44.8% of the total transient  
21 accommodations tax collected by the state is distributed to the  
22 counties; of this amount, the revenue is allocated as follows:  
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27	Maui County	-	22.8%
28			<u>100.0%</u>

29  
30 and  
31

1       WHEREAS, the transient accommodations tax revenues account  
2 for a significant portion of the counties' general fund budgets;  
3 and  
4

5       WHEREAS, maintaining the current allocation of the  
6 transient accommodations tax would allow the counties to  
7 continue providing essential government services to visitors and  
8 residents; and  
9

10       WHEREAS, losing the current allocation of the transient  
11 accommodations tax would require counties to significantly raise  
12 property taxes; now, therefore,  
13

14       BE IT RESOLVED by the House of Representatives of the  
15 Twenty-seventh Legislature of the State of Hawaii, Regular  
16 Session 2012, that the Governor and the Legislature are urged to  
17 preserve the counties' share of the transient accommodations  
18 tax; and  
19

20       BE IT FURTHER RESOLVED that certified copies of this  
21 Resolution be transmitted to the Governor, the Senate President,  
22 the President of the Hawaii State Association of Counties, and  
23 the Mayors of the counties of Kauai, Hawaii, Honolulu, and Maui.  
24  
25  
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OFFERED BY: \_\_\_\_\_

S.R. NO. \_\_\_\_\_

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## SENATE RESOLUTION

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URGING THE GOVERNOR AND THE LEGISLATURE OF THE STATE OF HAWAII  
TO PRESERVE THE COUNTIES' SHARE OF THE TRANSIENT  
ACCOMMODATIONS TAX.

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2 for a significant portion of the counties' general fund budgets;  
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5 WHEREAS, maintaining the current allocation of the  
6 transient accommodations tax would allow the counties to  
7 continue providing essential government services to visitors and  
8 residents; and  
9

10 WHEREAS, losing the current allocation of the transient  
11 accommodations tax would require counties to significantly raise  
12 property taxes; now, therefore,  
13

14 BE IT RESOLVED by the Senate of the Twenty-seventh  
15 Legislature of the State of Hawaii, Regular Session 2012, that  
16 the Governor and the Legislature are urged to preserve the  
17 counties' share of the transient accommodations tax; and  
18

19 BE IT FURTHER RESOLVED that certified copies of this  
20 Resolution be transmitted to the Governor, the Speaker of the  
21 House, the President of the Hawaii State Association of  
22 Counties, and the Mayors of the counties of Kauai, Hawaii,  
23 Honolulu, and Maui.  
24  
25  
26

OFFERED BY: \_\_\_\_\_

H.C.R. NO. \_\_\_\_\_

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## HOUSE CONCURRENT RESOLUTION

URGING THE GOVERNOR AND THE LEGISLATURE OF THE STATE OF HAWAII  
TO PRESERVE THE COUNTIES' SHARE OF THE TRANSIENT  
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7 continue providing essential government services to visitors and  
8 residents; and  
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10 WHEREAS, losing the current allocation of the transient  
11 accommodations tax would require counties to significantly raise  
12 property taxes; now, therefore,  
13

14 BE IT RESOLVED by the House of Representatives of the  
15 Twenty-seventh Legislature of the State of Hawaii, Regular  
16 Session of 2012, the Senate concurring, that the Governor and  
17 the Legislature of the State of Hawaii are urged to preserve the  
18 counties' share of the transient accommodations tax; and  
19

20 BE IT FURTHER RESOLVED that certified copies of this  
21 Concurrent Resolution be transmitted to the Governor, the  
22 President of the Hawaii State Association of Counties, and the  
23 Mayors of the counties of Kauai, Hawaii, Honolulu, and Maui.  
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OFFERED BY: \_\_\_\_\_

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## SENATE CONCURRENT RESOLUTION

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11 accommodations tax would require counties to significantly raise  
12 property taxes; now, therefore,  
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14 BE IT RESOLVED by the Senate of the Twenty-seventh  
15 Legislature of the State of Hawaii, Regular Session of 2012, the  
16 House of Representatives concurring, that the Governor and the  
17 Legislature of the State of Hawaii are urged to preserve the  
18 counties' share of the transient accommodations tax; and  
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20 BE IT FURTHER RESOLVED that certified copies of this  
21 Concurrent Resolution be transmitted to the Governor, the  
22 President of the Hawaii State Association of Counties, and the  
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OFFERED BY: \_\_\_\_\_

CITY COUNCIL  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII  
C E R T I F I C A T E

**RESOLUTION 11-297**

Introduced: 10/21/11 By: STANLEY CHANG

Committee: SAFETY, ECONOMIC  
DEVELOPMENT AND  
GOVERNMENT  
AFFAIRS

Title: RESOLUTION RELATING TO THE INCLUSION IN THE 2012 HAWAII STATE ASSOCIATION OF COUNTIES  
LEGISLATIVE PACKAGE A PROPOSAL URGING THE GOVERNOR AND THE STATE LEGISLATURE TO  
MAINTAIN THE COUNTIES' SHARE OF THE TRANSIENT ACCOMMODATIONS TAX.

Links: [RES11-297](#)  
[CR-343](#)

Voting Legend: Y= Aye, Y\* = Aye w/Reservations, N = No, A = Absent, ABN = Abstain

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SAFETY, ECONOMIC DEVELOPMENT AND GOVERNMENT AFFAIRS      10/25/11      CR-343 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.

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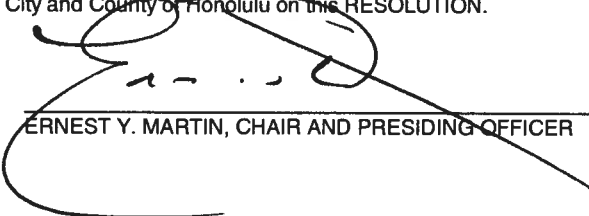
COUNCIL      11/02/11      CR-343 AND RESOLUTION 11-297 WERE ADOPTED.

ANDERSON	Y	BERG	Y	CACHOLA	Y	CHANG	Y	GABBARD	Y
GARCIA	Y	HARIMOTO	Y	KOBAYASHI	Y	MARTIN	Y		

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I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

  
BERNICE K. N. MAU, CITY CLERK

  
ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER